



AEROSPACE ACQUISITION 2001

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Mr. John M. Gilligan, Principal Deputy Assistant Secretary of the Air Force for Business and Information Management, Deputy Chief Information Officer

Leadership Corner

Coming back to the Air Force has been like coming home again. During my two years away from SAF/AQ, I have missed the professionalism, dedication and camaraderie that I enjoyed with the Air Force family. I am also truly excited about my new role in helping the Air Force better leverage the enormous potential of information technology.

We all see the benefits of the information age in our daily lives. Less obvious, perhaps, is the real opportunity to use information and information technology to dramatically and quickly transform large organizations. Corporations who have leveraged information technology to transform their processes have shown amazing results. Oracle reduced their cost basis by over \$1 billion in less than one year (over 15% reduction). IBM has transformed itself from an organization that lost \$16 billion in the early '90s to one of the most efficient and profitable companies. WalMart, General Electric and EDS each have numerous examples of improved efficiency and quality as well as reduced costs. In industry, leveraging the power of information technology is not an option; for many companies, it is needed just for survival in this increasingly competitive world.

The Air Force embarked on a similar transformation last summer. Already, there are some extraordinary results! The Air Force portal is permitting rapid access to information and supporting fundamental process reengineering in just weeks or even days. Consolidation of servers and networks is freeing up personnel to perform other Air Force missions and is reducing our costs. Self-service web-based tools are providing more convenient service for Air Force members to accomplish routine personnel and other functions. We are also leveraging web-based technologies in our command and control systems.

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2001 Defense Reform Conference Calls for a New 'Blueprint for Action'

Key industry, DoD, congressional, and Wall Street leaders convened in Washington, DC on February 14-15, 2001, to assess the current status of defense reform and address future initiatives in an effort to assist the new administration in setting its defense priorities and reform agenda. The 2001 Defense Reform Conference, sponsored by the American Institute for Aeronautics and Astronautics, BAE Systems, Boeing, Lockheed Martin, Northrop Grumman, Raytheon, and TRW recommended specific reforms aimed at radically improving DoD budgeting and acquisition and preserving a vital defense industrial base. Attendees were provided with a published copy of the "Blueprint for Action"—an agreed upon, definitive plan for action, which will set the pace for defense reform efforts in the years ahead.

Mrs. Darleen Druyun, the conference's executive chair and Principal Deputy Assistant Secretary of the Air Force for Acquisition and Management, got things started with a morning keynote address. Noting a convergence of the end of the Cold War and the continuing decline in defense budgeting with a new Administration, Mrs. Druyun observed: "We truly are at a critical juncture in our defense posture."

Mrs. Druyun's key objective for the conference was that attendees left with a "blueprint"—something concrete in hand. "The point of the blueprint is that it will reflect our collective thinking on what needs to be done to reduce cycle times, slash bureaucracies and restore the operational and financial strength to our defense industrial base—and, in turn, enable that base to better respond to the needs of the Armed Services."

The two-day conference included an array of panel discussions from leading defense experts, including perspectives from

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Front Cover: U.S. Air Force personnel from the 86th Contingency Response Group unload relief supplies from the rear of a C-130 Hercules cargo plane on April 1, 1999, at the Tirana, Albania, airport in support of Operation Sustain Hope. . DoD photo by Master Sgt. Michael Land, USAF.

What's News?

4th Annual DoD Electronic Commerce Day

In cooperation with the Joint Electronic Commerce Program Office (JECPO), the Government Electronics & Information Technology Association (GEIA) is co-sponsoring the **4th Annual DoD Electronic Commerce Day** to be held at the Hilton Alexandria Mark Center, 5000 Seminary Road, Alexandria, VA 22311 on 7 June 2001. Pre-event activities begin on June 6th with afternoon exhibits and tutorial presentations, and end with an evening reception. The conference will feature the best in Government and Industry speakers, exhibits, panels, and educational tracks.

EC Day will host the third annual awards program recognizing outstanding EC-related achievements within the Department of Defense in 2000. Winners will be announced and awards presented during the General Session of EC Day.

EC Day is sanctioned as an Acquisition & Logistics Reform Week Activity.

For more information, please visit <http://www.acq.osd.mil/jecpo>.

SG Newswire Available Online

The Office of the Surgeon General, Air Force Medical Service (AFMS), has a monthly online publication to keep its beneficiaries up-to-date on its activities. From TRICARE to trauma services, the *SG Newswire* has the scoop on Air Force medical needs, the latest legislative changes and new initiatives. The latest edition of *SG Newswire* is located at <http://sg-www.satx.disa.mil/sgsiw/SGNews/>.

PEO/SYSCOM Conference

The next PEO/SYSCOM Commanders Conference will be held 1-3 May 2001 at Fort Belvoir, VA. This year's theme is *Acquisition Reform and the Road Ahead*. Due to a new format and a new administration, this year's conference promises to stand out from those held previously. A Wall Street panel discussion will be the highlight of the event. For more information visit www.acq.osd.mil/dsac/peoconf.htm.

A-76 Best Practice Information Resides on the Web

Share A-76 information via the World Wide Web! A new knowledge management site on A-76 competition allows the exchange of best practices and lessons learned. In A-76 competitions, in-house government sources and private sector service providers compete for contracts. The competitions consistently have saved taxpayers money regardless of the source selected, says Annie L. Andrews, Assistant Director for Competitive Sourcing and Privatization. According to Andrews, having a central information source on A-76 is important because the process isn't easy to learn and most acquisition personnel only go through one A-76 competition in their careers. To learn more, go to <http://emissary.acq.osd.mil/inst/share.nsf>.

A&LR Week

Acquisition and Logistics Reform (A&LR) Week is an annual Air Force event focussing on improving support to the warfighter. A&LR Week will be held 4-8 June 2001. For more information, please visit www.safahq.af.mil/acq_ref.

Leadership

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The Air Force acquisition community is also taking increased advantage of information technology. Dr. Lawrence J. Delaney, Assistant Secretary of the Air Force (Acquisition), has reinforced the goal to "put all of our acquisition information on the net." With appropriate security controls, we are beginning to see that we can dramatically reduce the time spent repackaging information; we can reduce time spent on meetings and travel and we can accelerate decisions. Increased use of electronic information exchanges with our contractors and suppliers also reduce costs and cycle times while improving accuracy and quality.

The opportunities available for the Air Force and the acquisition community are truly exciting. The CIO community facilitates the many parallel efforts across the Air Force and defines the standards and architectures that will achieve the synergistic effects from having consistent and compatible solutions. I am looking forward to working with the acquisition community to continue to make these opportunities a reality.

Life Cycle Management of Warfighting Systems

John R. Clark, SAF/AQXA

In January 2001, Dr. Lawrence Delaney (SAF/AQ), General Lester Lyles (AFMC/CC) and Lt Gen Michael Zettler (AF/IL) approved "A Strategic Plan for Life Cycle Management of Air Force Systems." This integrated AQ/AFMC/IL strategic plan is a result of the acquisition and sustainment communities working closely to strengthen their partnership and to improve the weapons system life cycle support to the warfighter.

Work leading to the strategic plan began with a joint AQ/AFMC/IL offsite in August 2000. At that offsite, the three organizations forged a common vision and mission and agreed to common goals. The integrated vision, mission and goal statements are:

AQ/AFMC/IL Vision: Enabling Global Vigilance, Reach & Power ... Today and Tomorrow!

AQ/AFMC/IL Mission: Deliver Superior Capability and Support to the Warfighter.

AQ/AFMC/IL Goals:

- Satisfy our warfighters' needs in war and peace
- Build and sustain high performance teams
- Continually improve our processes
- Sustain technology superiority
- Enhance external relations to improve mission performance

To guide specific actions that would ensure meeting these five goals, four objectives were identified:

- 1) Improve our management structure to better leverage the efforts of our high performance teams, to better address user needs and to improve efficiency.
- 2) Identify, assess and improve our key crosscutting processes.
- 3) Reshape our workforce to ensure long term delivery of world class products and services.
- 4) Improve our ability to address technical issues and military capabilities that crosscut programs and systems.

The three organizations determined key actions to address

issues they currently face and ensure they meet their objectives and goals. The Action Team's work was reviewed by the Senior Level Review Team (SLRT) of Mrs. Darleen Druyun and LtGen Stephen Plummer from SAF/AQ; LtGen Charles Coolidge from AFMC and Mr. Ron Orr from AF/IL. The SLRT approved the Action Team's recommendations for presentation to the AQ/AFMC/IL Executive Board in January 2001. There, Dr. Delaney, General Lyles and Lt Gen Zettler chartered implementation of those recommendations and approved the recently released *AQ/AFMC/IL Strategic Plan for Life Cycle Management of Air Force Warfighting Systems*.

This is an ongoing joint AQ/AFMC/IL Life Cycle Management process. Quarterly meetings are held with key members from the three organizations to focus on continuing the joint effort needed to strengthen support to the warfighter.

The next meeting, scheduled for April 2001, will be hosted by the Air Force Materiel Command. For additional information, please contact Maj Arnold Lee, DSN 425-7103, Comm 703-588-7103 or by e-mail at arnold.lee@pentagon.af.mil.



Dr. Lawrence Delaney signs the strategic plan as Gen Lester Lyles (left) and Lt Gen Michael Zettler (right) look on.

Got TSPR? One SPO's Journey to Capture This Concept in a Contract

1Lt Sara Coll, Strategic and Nuclear Deterrence Command and Control System Program Office (SND C2 SPO)

The Integrated Space Command and Control (ISC2) contract is a pacesetter example for all future evolutionary Command and Control (C2) acquisition programs. It is characterized by the use of extensive government-contractor interaction, a risk-reducing Migration Demonstration (MD) phase, unprecedented warfighter partnership, and streamlined acquisition initiatives that enable the System Program Office (SPO) to award a Total System Performance Responsibility (TSPR) contract in record time.

The successfully completed journey conducted by the Electronic System Center's (ESC) Strategic and Nuclear Deterrence Command and Control (SND C2) SPO to select a TSPR contractor who can achieve a precedent-setting series of unique goals is an excellent example of the Air Force's intent to outsource important capabilities. The ISC2 contract will transform 371 complex C2 activities into a function-centric architecture that supports the Monitor, Assess, Plan, and Execute (MAPE) decision loop.

In early 1996, CINCNORAD sponsored a Business Process Re-Engineering (BPR) initiative, led by the warfighter, to integrate 371 C2 activities under an initiative called: NORAD/USSPACECOM Warfighting Support System (N/UWSS). ISC2 is the contractual instrument that will implement the N/UWSS vision while paving the way for all future evolutionary command and control acquisition programs. The integration of 371 activities (supported by 12 million software lines of code) presented a challenge of immense proportions. This was further complicated by limited interoperability between internal/external nodes/systems, antiquated processes with high operational support costs and limited flexibility; limited automated planning capabilities; lack of integrated air, space, and missile displays; and lack of Information Operations (IO) capabilities. The SPO's attempt to address the full scope of these challenges was analogous to "changing an engine in flight."

The NORAD BPR effort re-examined the total command and control mission infrastructure of air, space and missile warning. This resulted in development of an Operational Architecture (OA) and CINC C2 Node CONOPS, both of which became integral requirements on the ISC2 contract. The OA is a comprehensive expression of warfighter requirements that

defines diverse data and the communications requirements for disseminating critical C2 decisions within minutes.

The above operational background and the unique challenges to developing improved C2 capabilities for the warfighter set the stage for overall acquisition strategy development. The strategy selected allowed evolutionary acquisition processes within the ISC2 contract to evolve through a series of co-chaired SAF/AQ and AFSPC/CV General Officer Steering Group (GOSG) heading checks, stakeholder (including warfighter) interaction and industry interchanges. The goal of the strategy was not only to reduce the Government's risk of selecting the wrong contractor but also to select two highly qualified companies that could perform the full spectrum of contract requirements.

Another acquisition strategy goal was to ensure that N/UWSS program objectives, evolutionary acquisition and spiral development could be achieved. Integral to this strategy was the SPO's implementation of the following Lightning Bolt initiatives:

- Create a Request for Proposal (RFP) support team
- Create a senior-level Acquisition Strategy Panel (ASP)
- Develop a new SPO manpower model
- Enhance the role of contractors' past performance in source selections
- Replace multiple acquisition documents with the Single Acquisition Management Plan (SAMP)
- Implement annual Evolutionary Acquisition Decision Reviews (EADRs)
- Require contract documents as part of the proposal (e.g., Master Evolution Plan, Integrated Management Plan, Increment Requirements Documents)

Approval to conduct a full and open competition to award two rolling down-select MD phase contracts was authorized at an Acquisition Strategy Panel (ASP) on 8 Jun '99, which was chaired by the Office of the Deputy Assistant Secretary of the Air Force for Acquisition (SAF/AQ). The SPO selected Lockheed Martin Mission Systems and TRW to perform competitive work during the MD phase. This phase allowed the SPO and warfighters to "look under the hood" while the engine was running. Most importantly, it was designed to reduce the Government's risk in developing an initial and

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Defense Reform Conference

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Industry, former and current DoD officials, Capitol Hill, Wall Street, and senior military leaders. The conference also heard from key members of Congress such as Representatives William "Mac" Thornberry (TX), Heather Wilson (NM), Howard Berman (CA), and Senator Chuck Hagel (NE).

"There are shortcomings in the acquisition system...and we all know that there are also solutions," said Mrs. Druyun. "We must think in terms of what acquisition reform can be and not what it has been." For more information on the 2001 Defense Reform Conference or a copy of the "Blueprint for Action," go to www.defensereform.org.



CEO Panel Discussion held on the February 14, 2001. Participants included (from left to right): Dr. Vance Coffman, Chairman and Chief Executive Officer, Lockheed Martin Corporation, Mr. Philip Condit, Chairman and Chief Executive Officer, The Boeing Company, Mrs. Darleen Druyun, SAF/AQ, Mr. Kent Kresa, Chairman, President, and Chief Executive Officer, Northrop Grumman Corporation, and Mr. Daniel Burnham, Chairman and Chief Executive Officer, Rathenon Company. Hidden from view is Ms. Mary Ann Mitchell, President and Chief Executive Officer, Computer Consulting Operations Specialist, Inc.

Got TSPR?

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long-range migration strategy, to demonstrate the bidder's competence in spiral development, to establish a three way partnership of SPO, contractor, and warfighters, and to reduce transition risk. The MD phase culminated with a Call For Improvements/Proposals (CFI/P) under full and open competition rules.

The use of some of the latest acquisition procedures, including SPO-contractor interchanges, allowed the offeror several chances to clarify issues, improve shortcomings, and eliminate deficiencies before the contract award decision date. The SPO employed two rounds of Evaluation Notices (ENs), briefed each offeror on its interim ratings, and held face-to-face discussions with each offeror. The outstanding effectiveness of the Source Selection Evaluation Team (SSET) was evidenced by the fact that proposals were delivered on 10 Jul '00, and a single ISC2 contract was awarded to Lockheed Martin Mission Systems 71 days later.

One of the key TSPR features on this contract will be the prime contractor's active leadership role in planning capabilities to satisfy the warfighters' needs through an interactive Integrated Product Team (IPT) approach. The IPT will be comprised of warfighter, SPO and contractor engineering personnel. To further advance the TSPR concept, the ISC2 contractor will embrace evolutionary acquisition tenets that incorporate a spiral development approach based on incremental testing and delivery of ISC2 capabilities. The spiral development increments will be based on a set of requirements approved by the

warfighter's Mission Oversight Board (MOB) and Operations Approval Board (OAB) and agreed to prior to implementation by the Government and the contractor.

In addition, the ISC2 contract will facilitate a new business paradigm for the SND C2 SPO built around two TSPR tenets: smaller SPO staffs and a long-term partnership with industry. These features will be reinforced through a unique incentive plan. This plan includes both a long and a short-term focus using award term and award fee provisions with approval authority involving the warfighter.

N/UWSS is the warfighter's vision for modernization of systems that provide for homeland defense against missile attacks. The ISC2 contractual instrument will ensure not only an integrated command and control posture for the warfighter but also will provide an interoperable architecture that has the flexibility to add new missions. Perhaps the best way to sum up the value of the products and services that the ISC2 contract will bring to bear for our warfighters, is to quote from Gen. Ralph E. Eberhart's (CINCNOAD/USCINCSpace) statement to the US Senate Armed Services Committee in March 2000.

"This warfighting support system (N/UWSS) will link our BM/C2 nodes, including our mobile nodes, with terrestrial and space-based sensors, Joint and Service BM/C2 nodes, the National Command Authorities of Canada and the United States and our warfighters"...

Support Organizations: The Foundation of AF2020

Col Chris Hallion, AQ Operations Support Division Chief

If you visit <http://www.af.mil/vision>, you'll see the Air Force Vision 2020 document. The "Vision," endorsed by the Secretary of the Air Force and the Chief of Staff, builds on previous Air Force work and reflects key Air Force organizational and conceptual improvements. Signatures of both Secretary of the Air Force F. Whitten Peters and Chief of Staff General Michael E. Ryan, in Vision 2020's Forward, immediately set a tone for teamwork that will enable the Air Force to meet the diverse challenges of the 21st Century.

How does a support organization like the AQ Operations Support Division(AQXO) and other AQ support personnel—information management, personnel, security, executive support— fit in Air Force Vision 2020? Can operations support personnel find a home among core competencies such as aerospace superiority, information superiority, global attack, precision engagement, rapid global mobility, and agile combat support? The answer lies in a foundation of support upon which all the competencies are built. We enable all the competencies to exist, excel and continually improve.

Vision 2020 addresses this foundation of the Air Force by stating that airmen will be provided with education, equipment and training to perform at their best. The Chief and Secretary are committed to providing quality of life for Air Force personnel. AQ Ops Support provides outstanding personnel, information management, resources and executive services support to over 600 AQ personnel, enabling the Chief and Secretary to meet their commitment to airmen throughout the Air Force's aerospace domain: from the earth's surface, to the outer reaches of space.

As outlined in Vision 2020, AQ Ops Support personnel will continue to pursue innovative approaches. AQXO will adapt to AQ needs for information management, resources support, executive services, and personnel actions that occur in an AQ member's "life cycle," from newcomers' orientation and welcoming, to out-processing. Mrs. Darleen Druyun, Principal Deputy Assistant Secretary of the Air Force (Acq. and Mgt) and Mr. Blaise Durante, Deputy Assistant Secretary of the Air Force (Mgt., Policy, and Program Integration), enabled the innovative establishment of the Ops Support division, from in-house resources less than two years ago, showing commitment to the care of the AQ team of professionals.

Additionally, AQXO is committed to team with the 15 AQ directorates. As indicated in the "Building Blocks" of Vision 2020, fast, flexible, responsive, and reliable support will be the foundation of all Air Force operations—add an Ops Support customer-friendly attitude to this mix, and we'll be the foundation of all AQ operations.

Trivia Corner



To test your knowledge of military trivia, two trivia questions will appear in each edition of *Aerospace Acquisition 2001* (AA2001). One question will be published in the printed newsletter; the other will be posted on the AA2001 newsletter web site at www.safaq.hq.af.mil/acq_ref/news/.

Please send all responses by e-mail to arnews@pentagon.af.mil. When more than one correct response is received, the winner will be determined by the date and time of the response.

Winners will be announced in the following edition of AA2001. Each winner's name will go into a drawing to be held at the end of the calendar year for the grand prize—a \$50.00 gift certificate. Good luck to everyone!

LAST ISSUE: ANSWER: THE ENOLA GAY
 WINNER: MILES CONSTANTINE, OO-ALC/LIPC

QUESTION: WHO COMMANDED THE 82ND AIRBORNE DIVISION FOR OPERATION
 MARKET GARDEN?

Get Published

Aerospace Acquisition 2001 is a bimonthly newsletter published by the Office of the Assistant Secretary of the Air Force (Acquisition). The purpose of the newsletter is to disseminate information pertinent to the professional development of the Air Force Acquisition and Logistics Workforce.

Subject matter may include, but is not limited to, professional development, acquisition reform, acquisition and logistics program accomplishments, technology developments, and policy guidance.

Articles must be no more than three double-spaced, typed pages. Photos may be black and white or color. Please submit illustrations in separate files from text. Photos and illustrations will not be returned unless requested. All scanned photos and illustrations must have a resolution of at least 300 dpi, or prints of all photos may be submitted via U.S. Mail, FedEx, etc.

All articles must be cleared by the author's security/OPSEC office and public affairs office prior to submission. The cover letter accompanying the article must state that these clearances have been obtained and that the article has command approval for open publication. Offices and individuals submitting articles that report Air Force savings must be prepared to quickly provide detailed documentation upon request that verifies cost savings. Authors are requested to include a short biographical sketch.

| Submission dates: | <u>Issue</u> | <u>Author's Deadline</u> |
|-------------------|-------------------|--------------------------|
| | January/February | 10 November |
| | March/April | 10 January |
| | May/June | 10 March |
| | July/August | 10 May |
| | September/October | 10 July |
| | November/December | 10 September |

To submit an article, please provide manuscripts (MS Word), illustrations (EPS or 300 dpi TIFF or JPEG scans) and photos (glossy prints or 300 dpi TIFF or JPEG) via e-mail at arnews@pentagon.af.mil or on a 3 ½ inch floppy disk or a 100-MB ZIP disk via U.S. mail to SAF/AQXA, 1060 Air Force Pentagon, Washington, DC 20330-1060. All submissions must include the author's mailing address and office phone number (DSN and commercial).

Aerospace Acquisition 2001 reserves the right to edit for publication style and clarity.



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